

| TRANSCRIPT | BACKUP |
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| <p>TOS: Bill A.</p> <p>BILL (VO): For the last 42 years, my wife and I have run this farm.</p> <p>TOS: Mona A.</p> <p>MONA (VO): We do our best to take care of the land, to take care of our animals, to provide for our families and that.</p> | |
| <p>BILL (VO): I paid into Medicare my whole life. Trump wants to cut it just to pay for tax breaks for billionaires.</p> | <p>SELF-EMPLOYED PEOPLE PAY INTO MEDICARE</p> <p>Self-Employed Individuals Pay Into Medicare Through The Self-Employment Contributions Act. "FICA, the Federal Insurance Contributions Act, refers to the taxes that largely fund Social Security retirement, disability, survivors, spousal and children's benefits. FICA taxes also provide a chunk of Medicare's budget. [...] Self-employed people pay into Social Security and Medicare through a different tax, called SECA (Self-Employment Contributions Act) and collected via their annual federal tax returns. They pay both the employer and employee shares." [AARP, 12/17/18]</p> <p>TRUMP'S FY2020 BUDGET CUTS MEDICARE IN ORDER TO PAY FOR HIS TAX CUTS FOR THE WEALTHY AND CORPORATIONS</p> <p>Trump's FY2020 Budget Would Cut Medicare Funding By \$845 Billion Over 10 Years. "Total spending on Medicare, the popular health-care program for the elderly that in the past he had largely said he would protect, would be reduced by about \$845 billion over 10 years. Some of those savings — possibly between \$250 billion and \$300 billion, according to an estimate from the Committee for a Responsible Federal Budget's Marc Goldwein — would be redirected to other health programs, but most would be removed from the budget." [Washington Post, 3/11/19]</p> <p>CNBC: Over A Decade, Trump's Budget "Would Shave An Estimated \$800 Billion Or More Off Medicare." "Critics of President Donald Trump's new budget are accusing him of breaking a key campaign promise ahead of his 2020 re-election bid. His fiscal 2020 proposal unveiled Monday calls for reductions in funding for Medicare and Medicaid relative to current law. Over a decade, the plan would shave an estimated \$800 billion or more off Medicare, which covers older Americans, according to the Kaiser Family Foundation and various reports." [CNBC, 3/12/19]</p> <p>AARP: Trump's FY2020 Budget Proposal "Requests \$845 Billion Less" For Medicare. "Headlines and social media posts this week have alarmingly described the potential for massive cuts to Medicare and Medicaid under President Trump's annual budget proposal. While the proposal requests \$845 billion less for the health care program for older adults and people with disabilities and a reduction of nearly \$1.5 trillion from the safety net for low-income Americans, the vast majority of the administration's wish list will never happen, according to experts. [...] 'We are heartened that President Trump's budget continues to highlight the need to address prescription drug prices,' says John Hishta, AARP's senior vice president for campaigns. 'But we're also concerned about proposed cuts to programs important to seniors.'" [AARP,</p> |

[3/12/19](#)]

Federation Of American Hospitals President Chip Kahn: Trump's Proposed Medicare Cuts Would Be "Devastating" For Seniors. "Charles N. 'Chip' Kahn III, president of the Federation of American Hospitals, which represents more than 1,000 for-profit hospitals and health systems, said the budget 'imposes arbitrary and blunt Medicare cuts. . . . The impact on care for seniors would be devastating.'" [Washington Post, [3/11/19](#)]

Bloomberg's Noah Smith: Trump's FY2020 Budget "Slows The Growth Of Medicare Benefits" And Contains "Some Real Cuts In The Amount Of Health-Care Seniors Receive." "Trump's budget slows the growth of Medicare benefits. Some of these measures are budgetary tricks that shift Medicare spending to other parts of the budget — perhaps designed to make Trump look tough on entitlements. Others are cost-control measures envisioned by the Barack Obama administration. But there are also some real cuts in the amount of health-care seniors receive, which would require the elderly to pay more out of pocket or receive less care." [Noah Smith, Bloomberg, [3/20/19](#)]

Vox: Trump's Budget "Wants To Gut The Nation's Social Safety Net To Give More Funding To Nation's Defense Programs And Allow For Tax Cuts Primarily Benefiting Corporations And America's Wealthiest." "Trump's budget proposal has a clear trade-off: The White House wants to gut the nation's social safety net to give more funding to nation's defense programs and allow for tax cuts primarily benefiting corporations and America's wealthiest. The White House is proposing cutting programs like Medicare and Social Security — that Trump campaigned on protecting — and increasing defense and border security spending." [Vox, [3/11/19](#)]

Center For American Progress: The "Main Objective" Of Trump's Budget Is Cutting Programs For Working- And Middle-Class Americans "To Pay For Tax Cuts" For The Wealthy And Corporations. "President Trump's main legislative achievement in his first two years in office is a tax cut favoring rich Americans and wealthy corporations. The tax cut will add nearly \$2 trillion to deficits over a decade—and potentially much more. [...] Just as his past two budgets have done, Trump's FY 2020 budget seeks to conceal the true costs of his tax cuts by 'cooking the books,' including assuming economic growth rates about a percentage point higher in the coming years than those assumed by governmental and private-sector forecasts. But this fuzzy math should not distract from the budget's main objective: cutting programs that ensure basic living standards for working- and middle-class Americans—such as food, housing, and Social Security—to pay for tax cuts." [Center for American Progress, [3/11/19](#)]

Rep. John Yarmuth, Chairman Of The House Budget Committee: Trump's Budget "Asks The American People To Pay The Price" For His "Tax Cuts For The Wealthy And Large Corporations." "The Democratic chairman of the House Budget Committee, Rep. John Yarmuth of Kentucky, said Trump added nearly \$2 trillion to deficits with the GOP's 'tax cuts for the wealthy and large corporations, and now it appears his budget asks the American people to pay the price.'" [Associated Press, [3/11/19](#)]

Sen. Sherrod Brown: Trump's Budget "Is Asking Ohioans To Pay For Tax Cuts For Millionaires By Gutting Great Lakes Programs And Eliminating Economic Development Efforts." "President Donald Trump Monday unveiled a record \$4.75 trillion budget proposal that increases military spending by 5 percent, cuts non-defense programs such as one to clean up the Great Lakes and includes \$8.6 billion for the next stage of a wall on the U.S.-Mexico border. [...] Sen. Sherrod Brown, D-Ohio, said Trump 'is asking Ohioans to pay for tax cuts for millionaires by gutting Great Lakes programs and eliminating economic development efforts.'" [Dayton Daily News, [3/11/19](#)]

Washington Post Headline: "Trump Proposes Big Cuts To Health Programs For Poor, Elderly And Disabled" [Washington Post, [3/11/19](#)]

TRUMP'S 2019 BUDGET, WHICH HE PUBLICIZED WEEKS AFTER HIS TAX BILL PASSED, CALLED FOR CUTTING MEDICARE AND OTHER SOCIAL PROGRAMS BY OVER \$3 TRILLION

Washington Post: Trump's Budget "Brought Into Sharp Focus The Fiscal Strains Created" By The GOP Tax Law, Proposing To "Slash Spending On Social Safety Net Programs Such As Medicare." "The White House on Monday offered a \$4.4 trillion budget plan that brought into sharp focus the fiscal strains created by the Trump administration and Congress in the past year, revealing how large tax cuts and a new spending agreement are driving up government debt. President Trump's budget plan included proposals to slash spending on social safety net programs such as Medicare, Medicaid and food stamps, but these changes would still fall far short of balancing the budget and eliminating the deficit, a long-held GOP goal. The White House projected the deficit would swell to near \$1 trillion annually in 2019 and 2020 because of the new tax law and last week's agreement to add \$500 billion in new spending." [Washington Post, [2/12/18](#)]

Trump's 2019 Budget Proposal Called For A \$237 Billion Cut To Medicare. "The Trump budget calls for cutting \$237 billion to Medicare, the huge federally run program that provides health coverage to primarily older Americans. When he ran for office, Trump told voters that he would not cut Medicare or Medicaid." [CNBC, [2/12/18](#)]

Trump's Budget Proposed A 7.1% Cut To Medicare By 2028. "The big proposed policy changes include: [...] A 7.1 percent cut to Medicare by 2028, due to reforms meant to cut payments to providers and reduce wasteful treatment without limiting access to health care. The Affordable Care Act in 2010 included many similar provisions with related goals." [Vox, [2/12/18](#)]

Washington Post: Despite Calling For More Than \$3 Trillion In Cuts To Medicare And Other Social Programs, Trump's Budget Proposal "Would Not Bring The Budget Into Balance Because Of The Lost Tax Revenue." "The plan also calls for major cuts to Medicare, Medicaid, food stamps and other social programs — reductions that conservatives have long sought. But even with these reductions, which add up to more than \$3 trillion in cuts over 10 years, the proposal would not bring the budget into balance because of the lost tax revenue and higher spending on other programs. The White House projects a large gap between government spending and tax revenue over the next decade, adding at least \$7 trillion to the debt over that time. In 2019 and 2020 alone, the government would add a combined \$2 trillion in debt under Trump's plan." [Washington Post, [2/12/18](#)]

CBS News: The White House Budget "Includes Trillions Of Dollars' Worth Of Cuts To Medicare, Medicaid, Food Stamps, And Other Social Programs." "In addition to infrastructure, the White House unveiled a budget proposal for 2019 that is heavy on investments and the deficit. [...] The plan includes trillions of dollars' worth of cuts to Medicare, Medicaid, food stamps, and other social programs." [CBS News, [2/12/18](#), 0:46; 1:23]

THE FY2019 HOUSE GOP BUDGET CALLED FOR \$537 BILLION IN MEDICARE CUTS TO PAY DOWN THE COST OF THE TAX LAW

Associated Press Headline: "House GOP Plan Would Cut Medicare, Social Security To Balance Budget" [Associated Press, [6/20/18](#)]

June 2018: The House Budget Committee Passed Its FY2019 Budget On A Party-Line Vote. "A House panel on Thursday approved a budget resolution for the 2019 fiscal year, advancing the measure two months after its legal deadline and well into the appropriations process it is meant to precede. The resolution passed the House Budget Committee along a strict, party-line vote of 21-13." [The Hill, [6/21/18](#)]

The FY2019 House GOP Budget Called For \$537 Billion In Medicare Cuts. “The resolution approved Thursday lays out a path to balance the budget over a decade and calls for \$8.1 trillion in deficit reduction measures to reach that goal. The figure includes \$1.1 billion in reductions from discretionary spending — largely in the non-defense category — and \$5.4 trillion in mandatory spending. The proposed mandatory reduction includes \$1.5 trillion from Medicaid, \$537 billion from Medicare and \$2.6 trillion in reductions to other programs such as welfare, nutritional assistance and other anti-poverty programs.” [The Hill, [6/21/18](#)]

NCPSSM: The FY2019 House GOP Budget Would Privatize Medicare And Increase The Eligibility Age, “Shifting Costs To Medicare Beneficiaries.”

“The budget resolution proposes \$537 billion in cuts to Medicare which would be achieved by ending traditional Medicare and increasing health care costs for beneficiaries. Chairman Womack’s plan assumes savings for the federal government by privatizing Medicare and shifting costs to Medicare beneficiaries. [...] The budget resolution would gradually increase the age of eligibility for Medicare to correspond with Social Security’s retirement age which is increasing from 65 to 67. However, unlike Social Security, people would not be able to receive Medicare at a younger age, and it is important to point out that not all people are living longer. Raising the Medicare eligibility age is a benefit cut.” [National Committee to Preserve Social Security & Medicare, [6/29/18](#)]

Washington Post: The GOP Aimed To Cut Medicare In Order To “Put The Nation On A Sounder Fiscal Trajectory” After The Debt Was “Exacerbated By The GOP’s Own Policy Decisions – Including The New Tax Law.” “Nonetheless the budget serves as an expression of Republicans’ priorities at a time of rapidly rising deficits and debt. Although the nation’s growing indebtedness has been exacerbated by the GOP’s own policy decisions — including the new tax law, which most analyses say will add at least \$1 trillion to the debt — Republicans on the Budget Committee said they felt a responsibility to put the nation on a sounder fiscal trajectory. ‘The time is now for our Congress to step up and confront the biggest challenge to our society,’ said House Budget Chairman Steve Womack (R-Ark.). ‘There is not a bigger enemy on the domestic side than the debt and deficits.’ [...] Along with other changes, the budget proposes to squeeze \$537 billion out of Medicare over the next decade.” [Washington Post, [6/19/18](#)]

The FY2019 House GOP Budget Retained The Tax Cuts Enacted Under The GOP Tax Law. “The House budget plan retains the tax cuts enacted in 2017, which will cost \$1.9 trillion between 2018 and 2027 and disproportionately help those at the top of the income spectrum. In 2025, when the tax law will be fully phased in (and before many provisions are scheduled to expire), it will boost after-tax incomes of households in the top 1 percent by 2.9 percent, or roughly triple the 1.0 percent gain for households in the bottom 60 percent, according to the Tax Policy Center.” [Center on Budget and Policy Priorities, [6/28/18](#)]

House Budget Committee Democrats: The GOP’s FY2019 Budget Reflects “Massive Spending Cuts” That Republicans Demanded In The Wake Of The “Deficit Spikes” Caused By The GOP Tax Law. “Late last year, President Trump and the GOP Congress finally pushed their tax scam into law, adding \$1.9 trillion to federal budget deficits over 10 years while insisting – with no credible evidence – that the tax cuts would pay for themselves. Congressional Republicans have since used the resulting deficit spikes to amplify their demands for the next step in the scam: massive spending cuts. That is what this budget reflects.” [House Budget Committee Democrats press release, [6/19/18](#)]

Democratic Sens. Martin Heinrich And Chris Van Hollen: The GOP’s FY2019 Budget Looks To Pay For “Tax Breaks For The Wealthiest Among Us” By Cutting Medicare. “In their proposed budget, Republicans in Congress are now wanting to pay for those special interest tax breaks by taking that same \$2 trillion out of Medicare, Medicaid, Social Security, and the Affordable Care Act. [...] We recognize the need to

address budget deficits. That's one of the main reasons we were so opposed to President Trump's unpaid-for tax giveaway. We also know that in issues of taxes and federal spending, we need a system of shared sacrifice and shared responsibility. However, asking families dependent on Medicare, Medicaid, and Social Security to pay for tax breaks for the wealthiest among us—as President Trump and Republicans in Congress are asking us to do—cannot be the way to do that.” [Martin Heinrich and Chris Van Hollen op-ed, The Hill, [7/30/18](#)]

The Hill Headline: “Tax Breaks For Wealthy Paid For With Deep Cuts To Medicare, Medicaid And Social Security” [Martin Heinrich and Chris Van Hollen op-ed, The Hill, [7/30/18](#)]

REPUBLICANS HAVE BEEN VOCAL ABOUT THEIR INTENTIONS TO PAY FOR THEIR TAX PLAN WITH MEDICARE CUTS

US News Headline: “After Tax Overhaul, GOP Sets Sights On Medicare, Social Security” [US News, [12/7/17](#)]

ThinkProgress Headline: “Republicans Admit They’ll Slash Medicare, Social Security To Pay For Their Tax Cuts” [ThinkProgress, [8/21/18](#)]

New York Times: “Republicans Are Preparing To Use The Swelling Deficits Made Worse” By The Tax Plan “As A Rationale To Pursue Their Long-Held Vision” Of Entitlement Cuts. “As the tax cut legislation passed by the Senate early Saturday hurtles toward final approval, Republicans are preparing to use the swelling deficits made worse by the package as a rationale to pursue their long-held vision: undoing the entitlements of the New Deal and Great Society, leaving government leaner and the safety net skimpier for millions of Americans. Speaker Paul D. Ryan and other Republicans are beginning to express their big dreams publicly, vowing that next year they will move on to changes in Medicare and Social Security. President Trump told a Missouri rally last week, ‘We’re going to go into welfare reform.’” [New York Times, [12/2/17](#)]

In The Leadup To The Tax Bill’s Passage, Speaker Paul Ryan Said That The GOP Would Soon Aim To “Tackle The Debt And The Deficit” Through Cuts To Entitlements Like Medicare And Medicaid. “House Speaker Paul D. Ryan (R-Wis.) said Wednesday that congressional Republicans will aim next year to reduce spending on both federal health care and anti-poverty programs, citing the need to reduce America’s deficit. ‘We’re going to have to get back next year at entitlement reform, which is how you tackle the debt and the deficit,’ Ryan said during an appearance on Ross Kaminsky’s talk radio show. ‘... Frankly, it’s the health care entitlements that are the big drivers of our debt, so we spend more time on the health care entitlements — because that’s really where the problem lies, fiscally speaking.’ [...] Ryan’s remarks add to the growing signs that top Republicans aim to cut government spending next year. Republicans are close to passing a tax bill nonpartisan analysts say would increase the deficit by at least \$1 trillion over a decade. [...] Ryan said he’s optimistic, adding that Republicans could target the Affordable Care Act and Medicaid next year in addition to Medicare, despite their failure to repeal the health care law in 2017.” [Washington Post, [12/6/17](#)]

NRCC Chairman Rep. Steve Stivers Proposed Voucherizing Medicare And Overhauling Social Security To Reduce The Deficit Exacerbated By The GOP Tax Law. “Rep. Steve Stivers (R-Ohio) on Monday defended the GOP tax cuts and argued for overhauling Medicare and Social Security to help further reduce the deficit. [...] The White House’s Office of Management and Budget said in July that federal deficits will surpass \$1 trillion next year, with budget watchdogs saying the 2017 tax cuts are playing a big role in that increase. Stivers, who is chairman of the National Republican Congressional Committee, also expressed an interest in cutting spending. ‘I do think we need to deal with

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| | <p>our some of our spending,' Stivers said. 'We've got to try to figure out how to spend less.' He went on to say that he agrees with an assessment by Speaker Paul Ryan (R-Wis.) that the biggest spending issues pertain to Medicare and Social Security. 'We have to bend the cost curve on health care,' Stivers said, adding that he was open to a variety of solutions but approved of Ryan's proposal to alter Medicare so that recipients receive vouchers to spend on whatever health insurance plan they choose." [The Hill, 8/20/18]</p> <p>Sen. Marco Rubio Admitted That The GOP Tax Plan Would Require Cuts To Social Security And Medicare To Pay For It. "Florida Senator Marco Rubio admits that the Republican tax cut plan, which benefits corporations and the wealthy, will require cuts to Social Security and Medicare to pay for it. To address the federal deficit, which will grow by at least \$1 trillion if the tax plan passes, Congress will need to cut entitlement programs such as Social Security, Rubio told reporters this week. Advocates for the elderly and the poor have warned that entitlement programs would be on the chopping block, but this is the first time a prominent Republican has backed their claims. 'You have got to generate economic growth because growth generates revenue,' Rubio said at a Politico conference. 'But you also have to bring spending under control. And not discretionary spending. That isn't the driver of our debt. The driver of our debt is the structure of Social Security and Medicare for future beneficiaries.'" [Newsweek, 12/1/17]</p> <p>Rep. Kevin Brady, Ways And Means Committee Chairman: As The Tax Bill Wouldn't "Get Us Back To A Balanced Budget," The GOP Would Soon Turn To "Welfare Reform And Tackling The Entitlements." "Representative Kevin Brady, Republican of Texas and the chairman of the Ways and Means Committee, said this month that tax overhaul 'alone won't get us back to a balanced budget.' He said that House Republicans would soon turn toward 'welfare reform and tackling the entitlements.'" [New York Times, 11/15/17]</p> <p>Rep. Tom Cole On The Cost Of The Tax Bill: "If Someone Wants To Get Serious About Debt, Come Talk To Me About Entitlements," Like Social Security And Medicare. "Why are Republicans rushing to pass an unpopular tax bill that economists predict will increase deficits without fueling much economic growth? Cole's lengthy answer boiled down to one simple concept: The onetime college football lineman has decided to trust his coach's play call and block for the Republican team. [...] And as an advocate of smaller government, he insists deficits produced by spending programs hurt more than deficits produced by tax cuts. 'If someone wants to get serious about debt, come talk to me about entitlements,' he explains, pointing toward the Social Security and Medicare behemoths. 'Tax cuts produce growth, entitlement spending doesn't.'" [CNBC, 12/17/17]</p> <p>Vox Headline: "Top Republicans Are Already Talking About Cutting Medicare And Social Security Next" [Vox, 12/20/17]</p> <p>Vox: In The Wake Of The Tax Bill's Passage, The GOP Began Eying Food Stamps, Medicaid, Social Security, And Medicare As Targets For Spending Cuts. "By every official analysis, the tax bill is expected to add at least \$1 trillion to the national debt. Republicans have ignored the number, with the hope that their tax bill will lead to unprecedented economic growth. But now they're eying ways to trim government spending, targeting everything from food stamps and Medicaid to Social Security and Medicare." [Vox, 12/20/17]</p> |
| <p>MONA (VO): It is just the rich wanting to be richer, and the rest of us are just going to have to deal with it.</p> | <p>THE WEALTHY GOT THE MAJORITY OF GAINS FROM TRUMP'S TAX LAW IN 2018, AND BY 2027, 83% OF THE BENEFIT WILL GO TO THE TOP 1%</p> <p>Tax Policy Center: The Top Income Quintile Got 65.3% Of The Benefit From</p> |

Trump's Tax Law In 2018, Compared With 5.2% For The Second Quintile 11.2% For The Middle Quintile. According to data from the Tax Policy Center, the top income quintile got an average 2.9% tax cut in 2018, amounting to 65.3% of the benefit from Trump's tax law. The top 95-99th percentile alone got 22.1% of the benefit, and the top 1% got 20.5%. Meanwhile, the second quintile received 5.2% of the benefit and the middle quintile received 11.2% – an average tax cut of 1.2% and 1.6%, respectively. [Tax Policy Center, [6/13/18](#)]

Tax Policy Center: Under Trump's Law, Taxpayers In The Top 1% Would Receive "An Average Tax Cut Of 0.9 Percent Of After-Tax Income" In 2027, "Accounting For 83 Percent Of The Total Benefit For That Year." "In 2027, the overall average tax cut would be \$160, or 0.2 percent of after-tax income (table 3), largely because almost all individual income tax provisions would sunset after 2025. [...] Taxpayers in the top 1 percent of the income distribution would receive an average tax cut of 0.9 percent of after-tax income, accounting for 83 percent of the total benefit for that year." [Tax Policy Center, [12/18/17](#)]

Vox: In 2027, 82.8% Of The Tax Cuts In Trump's Tax Law Would Go To The Top 1%. "By 2027, more than half of all Americans — 53 percent — would pay more in taxes under the tax bill agreed to by House and Senate Republicans, a new analysis by the Tax Policy Center finds. That year, 82.8 percent of the bill's benefit would go to the top 1 percent, up from 62.1 under the Senate bill. And even in the first years of the bill's implementation, when it's an across-the-board tax cut, the benefits of the law would be heavily concentrated among the upper-middle and upper-class Americans, with nearly two-thirds of the benefit going to the richest fifth of Americans in 2018." [Vox, [12/18/17](#)]

TRUMP'S TAX LAW DISPROPORTIONATELY BOOSTS THE AFTER-TAX INCOME OF WEALTHY HOUSEHOLDS

Tax Policy Center: In 2018, The Top 1% Saved \$51,140 And The Top 0.1% Saved \$193,380 As A Result Of Trump's Tax Law, Compared To Average Savings Of \$1,610 Across The Board. "The Urban-Brookings Tax Policy Center estimates that average Americans saw a 1.8 percentage point reduction in their effective tax rate. The actual effect—an average savings of \$1,610—was simply so slight and so spread out that they didn't notice. The rich noticed. The top 1 percent of income earners saved 2.3 percentage points, according to Urban-Brookings, or \$51,140. The top 0.1 percent, who make more than \$3.4 million a year, saved the same amount in percentage terms as the average Joe, but in dollar terms made out with \$193,380." [Bloomberg Businessweek, [4/12/19](#)]

Moody's: More Than Three-Quarters Of The \$1.1 Trillion In Individual Tax Cuts From Trump's Tax Law Will Go To People Who Earn More Than \$200,000 A Year. "More than three-quarters of the \$1.1 trillion in individual tax cuts will go to people who earn more than \$200,000 a year in taxable income, who constitute only about 5% of all taxpayers, said Karnovitz. The tax bill will significantly reduce the tax intake of the federal government in the next 10 years in the scope of 1% of GDP on average, Moody's estimates." [MarketWatch, [1/31/18](#)]

Congressional Research Service: Trump's Tax Law "Favored Higher-Income Taxpayers, In Part Because Most Of The Tax Cut Benefited Corporations And In Part Because The Individual Income Tax Cut Largely Went To Higher-Income Individuals." "Distributional analyses of the tax change suggested that the tax revision favored higher-income taxpayers, in part because most of the tax cut benefited corporations and in part because the individual income tax cut largely went to higher-income individuals." [Congressional Research Service, [5/22/19](#)]

NPR: Trump's Tax Law "Would By Far Benefit The Richest Americans The Most." "The Republican tax bill, which Congress sent to President Trump on Wednesday, would give most Americans a tax cut next year, according to a new analysis. However, it would by far benefit the richest Americans the most. Meanwhile, many lower- and middle-class Americans would have higher taxes a decade from now ... unless a future

Congress extends the cuts.” [NPR, [12/19/17](#)]

Los Angeles Times: Trump’s Tax Law “Overwhelmingly Benefits Corporations And Wealthy Americans Like Himself.” “The tax bill, which Trump will sign in coming days, comes with potential political costs. The legislation overwhelmingly benefits corporations and wealthy Americans like himself, undermining his promises to govern as a populist, and all but rules out his pledge to wipe out the national debt, adding at least \$1 trillion in debt in its first 10 years.” [Los Angeles Times, [12/20/17](#)]

TRUMP’S TAX LAW CUT THE TOP INDIVIDUAL TAX RATE AND INCREASED THE THRESHOLD AT WHICH THE TOP RATE KICKS IN

Trump’s Tax Law Cut The Top Individual Tax Rate From 39.6% To 37% And Hiked The Income Threshold For That Rate From \$470,700 To \$600,000 For Married Couples, Representing “A Significant Tax Break For The Very Wealthy.” “Here’s a rundown of what’s in the final bill. [...] A new tax cut for the rich: The final plan lowers the top tax rate for top earners. Under current law, the highest rate is 39.6 percent for married couples earning over \$470,700. The GOP bill would drop that to 37 percent and raise the threshold at which that top rate kicks in, to \$500,000 for individuals and \$600,000 for married couples. This amounts to a significant tax break for the very wealthy, a departure from repeated claims by Trump and his top officials that the bill would not benefit the rich. The new tax break for millionaires goes beyond what was in the original House and Senate bills, with Republicans seeking to ensure wealthy earners in states such as New York, Connecticut and California don’t end up paying substantially higher taxes as a result of the bill.” [Washington Post, [12/15/17](#)]

TRUMP’S TAX LAW CREATED A LOOPHOLE ALLOWING THE WEALTHY TO HAVE THEIR INCOME TAXED AT A LOWER RATE

Trump’s Tax Law Allows Owners Of Pass-Through Entities To Deduct 20% Of Their Earnings, Translating To An Average Tax Rate Of 29.6% Instead Of The Current Individual Rate Of As Much As 39.6%. “The deduction is targeted at small businesses, which make up the vast majority of pass-through entities, with the intention of giving them a helping hand. Under previous law, profits from corner grocery stores, hair dressers, landscapers and the whole panoply of entrepreneurs were taxed at personal income tax rates, which ranged as high as 39.6 percent. [...] Why are these businesses called pass-throughs? The proceeds flow directly to the businesses’ owners -- avoiding the double bite the government takes of larger companies, of earnings at the corporate level, then of employees’ compensation. As the top personal rate under the new law was lowered to 37 percent, lawmakers also allowed pass-throughs to take a 20 percent deduction on their earnings, which translates to an average tax rate of 29.6 percent on owners.” [CBS News, [12/22/17](#)]

Treasury Department Analysis: More Than Two-Thirds of All Pass-Through Income Goes To The Top 1% OF U.S. Households. “But among these mom-and-pop operations are a number of very large businesses, such as the Trump Organization, the Dallas Cowboys Football Club and the Georgia-Pacific wood products company. Slightly more than two-thirds of all pass-through income goes to the top 1 percent of US households by income, a 2015 Treasury Department analysis found.” [CBS News, [12/22/17](#)]

Vox: Pass-Through Companies “Are Overwhelmingly Owned By Rich Individuals,” And The Deduction “Creates A Huge Loophole” For Them. “‘Pass-through’ companies like LLCs, partnerships, sole proprietorships, and S corporations, which are overwhelmingly owned by rich individuals like Donald Trump and currently pay normal income tax rates after their earnings are returned to the companies’ owners, would get a number of tax cuts too: [...] The deduction creates a huge loophole for rich people, who could incorporate as sole proprietorships and ‘contract’ with their employers so their income is

counted as pass-through income rather than wages.” [Vox, [12/18/17](#)]

THE MIDDLE AND WORKING CLASS ARE NOT REAPING THE BENEFITS OF TRUMP’S TAX LAW

Trump’s Promise To Boost Ordinary Americans’ Wages By Thousands Of Dollars With His Tax Overhaul Did Not Materialize. “Once the impact of inflation is included, ordinary Americans’ hourly earnings are lower than they were a year ago. Real wages have remained mostly stagnant despite an expanding economy, record stock prices, soaring corporate profits and a giant deficit-fueled stimulus from Trump’s tax cuts that took effect Jan. 1. The Trump administration claimed its policies would immediately boost wages, with its tax overhaul ultimately increasing average pay by \$4,000 to \$9,000. That hasn’t happened.” [Bloomberg, [8/28/18](#)]

Americans Didn’t Receive Significant Pay Raises After The Passage Of The Tax Law. “December’s reduction in corporate taxes was promoted as a measure that would help all Americans — by boosting their pay. When Trump’s Council of Economic Advisers published a paper defending the plan, it began with the sentence: ‘Wage growth in America has stagnated.’ A year later, even with unemployment at the lowest in a half-century, Americans still aren’t getting the kind of pay raises that were commonplace before the Great Recession.” [Bloomberg, [11/1/18](#)]

Bloomberg Headline: “Trump’s Budget Bet Piles Debt On Voters Promised A Pay Raise” [Bloomberg, [11/1/18](#)]

Take-Home Pay Fell 1.3 Percent After Inflation In 2018, Despite Trump’s Promise That The Tax Cuts And Jobs Act Would Lead To “Immediate” Wage Growth. “The pay people take home after accounting for inflation fell 1.3 percent last year, a new analysis shows. The findings come a year after President Donald Trump signed the Tax Cuts and Jobs Act, with his administration promising it would deliver ‘immediate’ wage growth to workers. [...] The dip in real wages also is notable as it came during a year when corporations got generous breaks thanks to the Tax Cuts and Jobs Act. Instead of providing higher wages, however, many companies used the money to repurchase shares, which reached a record \$1 trillion last year.” [CBS News, [1/9/19](#)]

Newsweek Headline: “Trump’s Tax Plan Is Failing To Give American Workers The Wage Growth He Promised” [Newsweek, [8/3/18](#)]

JUST Capital Analysis: Top Companies Distributed 56% Of Savings From Trump’s Tax Law To Shareholders And Only 6% Of Savings To Workers. “Thanks to a major cut in their tax rate, corporations are now taxed at a 21 percent rate instead of 35 percent. The reduction was framed as a way to allow companies to keep more profits, which they would then spend on hiking wages -- leading to that promised \$4,000 to \$9,000 raise. But corporations are diverting much of those proceeds to investors, not workers. Only 6 percent of tax cut-related savings have gone to workers, according to Just Capital, a nonprofit advocacy group. By contrast, about 56 percent of those savings have been funneled to investors in the form of buybacks and dividends. Through mid-December, U.S. companies spent a record \$1 trillion this year on buying back their own stock, which props up their value.” [CBS News, [12/21/18](#)]

JUST Capital Analysis: Of The 6% Of Trump Tax Law Savings Distributed To Workers, More Than Half Were In The Form Of Bonuses, Meaning They Were Short-Lived. “And, of that 6% for workers, more than half is in the form of bonuses, meaning the transfers are set to be short-lived. If workers are getting at least some money from the tax cuts, it’s not necessarily in form of ongoing remuneration.” [Fast Company, [3/2/18](#)]

Fast Company Headline: “Workers Are Getting Basically Nothing From The Corporate Tax Windfall” [Fast Company, [3/2/18](#)]

Congressional Research Service: Only 2-3% Of The Corporate Tax Cut Went

Towards Worker Bonuses. “During the passage of the tax revision and in the immediate aftermath, some argued that firms would use these funds to pay worker bonuses (as discussed in the previous section on wages). Subsequently, a number of firms announced bonuses, which in some cases they attributed to the tax cut. One organization that tracks these bonuses has reported a total of \$4.4 billion.⁴¹ With US employment of 157 million, this amount is \$28 per worker.⁴² This amount is 2% to 3% of the corporate tax cut, and a smaller share of repatriated funds.” [Congressional Research Service, [5/22/19](#)]

January 2019 NABE Survey: Just 4% Of Companies Accelerated Hiring Because Of Trump’s Tax Cuts, And Only 10% Of Companies Increased Investments In Infrastructure And Technology. “The expensive 2017 tax law failed to encourage Corporate America to embark on a boom in hiring or job-creating investment. Just 4% of business economists say their companies accelerated hiring because of the tax overhaul, according to a survey released Monday by the National Association for Business Economics. And only 10% of business economists said their firms stepped up investments like building factories, buying equipment and purchasing software because of the tax law.” [CNN Business, [1/29/19](#)]

CNN Business Headline: “Just 4% Of Companies Boosted Hiring Because Of Tax Cuts” [CNN Business, [1/29/19](#)]

Despite The Corporate Tax Cut Included In Trump’s Tax Overhaul, The CBO Predicted That Business Investment Would “Slow Markedly After 2018.” “A key provision of the tax overhaul gave corporations a hefty break for investments in factories, equipment and intellectual property, which will save corporations more than \$119 billion before it sunsets in 2026, according to a congressional estimate. In theory, business investments in factories and equipment should lead to more jobs, creating a tighter labor market. In turn, wages would increase for a sustained period of years to compensate for decades of stagnation. Since the corporate tax cut, growth in business investment has bounced around quarter to quarter, from a robust high of 11.5 percent in the first quarter of 2018 to a weak low of 2.5 percent in the third quarter. Business investment, however, is expected to ‘slow markedly after 2018,’ according to CBO.” [NBC News, [3/22/19](#)]

Moody’s Analytics Economist: There Is “No Evidence Suggesting The Tax Cut Has Provided Sustained Increase In Business Investment.” “The growth in business investment hasn’t impressed some economists. There is ‘no evidence suggesting the tax cut has provided sustained increase in business investment,’ said Mark Zandi, chief economist with Moody’s Analytics.” [NBC News, [3/22/19](#)]

Morning Consult/Politico Poll: 60% Of Workers Said They Didn’t Notice An Increase In Their Paycheck In 2018 As A Result Of Trump’s Tax Law. “So far, few voters have noticed a bump in their take-home pay due to the tax law, according to a Morning Consult/Politico survey. Twenty-three percent of registered voters said they noticed an increase in their paycheck this year as a result of the law, while 60 percent didn’t, according to a Dec. 4 poll conducted among 1,975 registered voters.” [Morning Consult, [12/17/18](#)]

Union Leaders: Trump’s Tax Cuts Did Little To Help Average And Low-Wage Workers, Including Those Who Work In Restaurants, Schools, Hospitals, And Hotels. “After President Trump signed a measure that slashed corporate rates in December, the White House announced 300 companies had unveiled bonuses and raises, reaching 3.5 million workers. But union leaders argue little of the wealth has helped their members, who work in restaurants, schools, hospitals, hotels and other low-wage roles. ‘Working Americans are not the ones getting the raise from President Trump and Republican leaders’ tax cut,’ SEIU International president Mary Kay Henry said in a statement. ‘Corporations are.’” [Washington Post, [4/5/18](#)]

Washington Post Headline: “The Tax Cuts Were Supposed To Help Workers. Unions Say They’re Not.” [Washington Post, [4/5/18](#)]

Sen. Marco Rubio: As A Result Of The Tax Law, Companies “Bought Back Shares, A Few Gave Out Bonuses; There’s No Evidence Whatsoever That Money’s Been Massively Poured Back Into The American Worker.” “The Republican tax cut bill has found an unlikely critic in its giveaways to big corporations: Sen. Marco Rubio (R-FL). The 2016 Republican presidential candidate — who voted for the legislation in December — is openly doubting it’s actually benefiting American workers and says it is instead resulting in a boost in stock buybacks that benefit shareholders. In fact, he says, there’s ‘no evidence whatsoever’ that American workers are seeing a big tax cut boost. ‘There is still a lot of thinking on the right that if big corporations are happy, they’re going to take the money they’re saving and reinvest it in American workers,’ Rubio said in a recent interview with the Economist. ‘In fact they bought back shares, a few gave out bonuses; there’s no evidence whatsoever that money’s been massively poured back into the American worker.’” [Vox, [5/1/18](#)]

[Video] NYU Professor Scott Galloway On Trump’s Tax Law: “Was This Really Something To Help The Middle Class? Absolutely Not.” When asked if there’s “any chance we are going to see” a tax cut from Trump’s tax law, NYU professor Scott Galloway answered, “The U.S. middle class wages are stagnated and we keep giving more and more goodies to the upper 10, the upper 1, the upper .1. So was this really something to help the middle class? Absolutely not.” [MSNBC, [11/14/18](#), 1:29]

AN ESTIMATED 10 MILLION FAMILIES SAW A TAX INCREASE IN 2018

ThinkProgress Headline: “Trump Tax ‘Cut’ Actually Increased Taxes For 10 Million American Families, Report Finds” [ThinkProgress, [4/12/19](#)]

Center For American Progress Analysis: 10,260,263 American Families Saw A Tax Hike In 2018 Thanks To Trump’s Tax Law. “Donald Trump ran in 2016 promising that every American would receive a tax cut. But he has already raised taxes on an estimated 10 million families, according to a new analysis. The Center for American Progress released its calculations on Friday, based on data from the non-partisan Institute on Taxation and Economic Policy. It found that 10,260,263 American families saw a tax hike last year, thanks to the president’s 2017 Tax Cut and Jobs Act.” [ThinkProgress, [4/12/19](#)]

The Institute On Taxation And Economic Policy Confirmed CAP’s Estimate That 10 Million American Families Saw A Tax Hike In 2018. “The Center for American Progress released its calculations on Friday, based on data from the non-partisan Institute on Taxation and Economic Policy. [...] Steve Wamhoff, who authored the Institute on Taxation and Economic Policy’s study, told ThinkProgress that the 10 million estimate is correct. ‘Most families did receive a tax cut from the Trump tax law,’ he observed. ‘The real problem is that vast majority of the tax cuts went to people who do not need help. Half the tax cuts went to the richest five percent, which about a quarter going to the richest one percent. Those among the top five percent got bigger tax cuts not just in dollar terms but even when measured as a share of their total income.’” [ThinkProgress, [4/12/19](#)]

Tax Policy Center: An Estimated 10 Million Filers Were Set To See A Tax Increase In 2018. “First, although the TCJA cut individual income taxes for a large majority of income-tax filers, it will increase them for about 6 percent of households (according to Tax Policy Center projections). Candidates for tax increases include those with dependent children age 17 or older (because the personal exemption for these dependents was changed to a potentially less valuable tax credit), employees with significant business expenses (because these are no longer deductible), and taxpayers with large state and local tax bills (because the deduction for these is now limited to \$10,000 a year). The 6 percent of households confronting a tax increase translates into 10 million tax filers who may be surprised, unhappy, or both.” [Mark Mazur, Atlantic, [3/29/19](#)]

A MAJORITY OF AMERICANS WILL PAY MORE IN TAXES UNDER TRUMP'S TAX LAW IN 2027, INCLUDING 70% OF TAXPAYERS IN THE MIDDLE INCOME QUINTILE

Tax Policy Center: In 2027, 53% Of Taxpayers Will Face A Tax Increase Under Trump's Tax Law, Including 70% Of Taxpayers In The Middle Income Quintile. "In 2027, 25 percent of taxpayers would experience a tax cut from the included provisions, averaging about \$1,500, and 53 percent would face an average tax increase of \$180 (table 6). In the bottom income quintile, 11 percent would receive a tax cut and 33 percent would face a tax increase. In the middle income quintile, 24 percent would receive a tax cut and 70 percent would face a tax increase. In the top 1 percent of the income distribution, 76 percent would receive a tax cut and 24 percent would face a tax increase." [Tax Policy Center, [12/18/17](#)]

Bloomberg: "53 Percent Of All Taxpayers Will See A Modest Tax Hike By 2027, The Tax Policy Center Says, Including Almost 70 Percent Of Middle-Income Families." "And, the cuts for middle-class wage earners fade over time. By 2026, changes to individual tax rules expire, while corporate changes are permanent. Unless Congress acts, 53 percent of all taxpayers will see a modest tax hike by 2027, the Tax Policy Center says, including almost 70 percent of middle-income families." [Bloomberg, [12/18/18](#)]

Money: "A Decade From Now, About Two Thirds Of Middle-Class Taxpayers Will Actually See A Tax Hike" Under Trump's Tax Law. "There may be an even bigger problem for the middle class, however. Budget rules tied Republicans' hands, limiting their ability to make changes that extend more than 10 years in the future. As a result, most personal tax provisions in the bill expire by 2026. Meanwhile, other tweaks — like a new, less generous way of accounting for inflation — will work against middle-class taxpayers over time. As a result, a decade from now, about two thirds of middle-class taxpayers will actually see a tax hike, albeit a relatively small one of about \$150, according to the Tax Policy Center." [Money, [12/20/17](#)]

Bloomberg: "By 2027, A Majority Of Americans Will See A Tax Increase" Under Trump's Tax Law. "GOP lawmakers set individual tax cuts to expire over time. By 2027, a majority of Americans will see a tax increase compared with current law. (Corporations need not worry—their cuts are permanent under the bill.)" [Bloomberg, [12/20/17](#)]

Joint Committee On Taxation: Under Trump's Tax Law, Taxpayers Earning Between \$50,000 And \$75,000 Will See An Average Tax Increase Of About \$140 In 2027. According to data from the Joint Committee on Taxation, the 28,651,000 taxpayers who earn between \$50,000 and \$75,000 will see a combined tax increase of \$4.06 billion in 2027. This would translate to an average tax increase of about \$140 per taxpayer. [Joint Committee on Taxation, [12/18/17](#)]

Center On Budget And Policy Priorities: In 2027, "35.1 Million Households With Incomes Below \$200,000 Would Face Tax Increases." "In 2027, the picture gets even worse because at the end of 2025, almost all of the bill's individual income tax provisions — including all of its individual income tax cuts — would expire. About 144.7 million households with incomes below \$200,000 — or roughly 83 percent of households with incomes at that level — would either lose or would gain little from the final bill (see second table): 35.1 million households with incomes below \$200,000 would face tax increases, including 9.5 million facing tax increases of more than \$500 apiece." [Center on Budget and Policy Priorities, [12/19/17](#)]

TOS: Trump's economy isn't working for us.

